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EASTERN EUROPE

SOVIET UNION

✓ Premier Stalin's recent PRAVDA interview apparently indicates some shift in the Kremlin's estimate of its capabilities for achieving its immediate objectives in the Berlin dispute. The USSR probably still wants a negotiated settlement of the Berlin issue on terms which would permit ultimate Soviet control of Berlin and Communist penetration of western Germany. The Kremlin apparently believes, however, that such terms probably cannot be obtained from the western powers under present circumstances. Stalin's interview may therefore have been intended to prepare the ground, both within the Soviet Union and abroad, for further unilateral action on Germany, possibly including partition and the establishment of an east German state. The Soviet people have never been told of the real gravity of the Berlin situation and therefore need to be prepared for any step as drastic as the renunciation of "co-operation" with the western powers. As Soviet propaganda designed for foreign consumption, the Stalin interview reiterates the allegation that the western powers are responsible for present world tension and warns the West that the USSR may proceed unilaterally in Germany. The uncompromising stiffness of Stalin's remarks therefore suggests that in the absence of a facesaving compromise, the USSR is prepared to accelerate preparations for the formation of an east German state.

✓ Soviet propaganda preparations for the annual celebration of the October Revolution sharply contrast with the extravagant preparations being heralded throughout the world at this time last year. The less than a dozen news items about the anniversary which have appeared may reflect Kremlin preoccupation with the world situation. This year's slogans which will be used to define the Communist "line" during the next twelve months represent little change from the pattern of themes emphasized last year.

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